

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
MARCH 19, 2012**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, March 19, 2012.

The meeting was called to order by Chairman Wayne Schuetter.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Wayne Schuetter – Chairman  
Rick Stradtner – Vice Chairman  
Mike Harder – Secretary  
Doug Schulte – Water Commissioner  
Alex Emmons – Wastewater Commissioner  
Greg A. Krodel – Gas Commissioner  
Ken Sendelweck – Electric Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Windell Toby – Electric Generation Manager  
Ed Hollinden – Wastewater Manager  
Bud Hauersperger – General Manager  
Ashley Kiefer – Office Manager  
Bill Shaneyfelt – City Attorney

**ABSENT:**

Michael Oeding – Gas & Water Manager

**PLEDGE OF ALLEGIANCE** (DVD-00:35)

Chairman Wayne Schuetter led the Pledge of Allegiance.

**QUOTE OPENING: CENTRAL TIE SUBSTATION BREAKER REPLACEMENT & REMOTE RACKING SYSTEM - ELECTRIC DISTRIBUTION** (DVD-01:15)

One vendor had trouble getting the documents in time. Therefore, the quote opening will be tabled until next month's meeting in April.

**PROPOSAL OPENING: NORTH WATER TOWER PROJECT – GAS & WATER**  
(DVD-01:45)

Bud Hauersperger stated that six requests for proposals were sent out. Three of the companies declined to bid. There was an address mix-up with one company and they did not get their bid back in time. Hauersperger opened the proposals and read them aloud as follows:

- |  |             |
|--|-------------|
| 1. Norman Noe Co., Inc.<br>Nineveh, IN   | \$ 3,495.00 |
| 2. Midwestern Engineers<br>Loogootee, IN | \$ 8,400.00 |

Midwestern Engineers also quoted estimated inspection fees of \$11,983.00.

Doug Schulte made a motion to take the quotes under advisement. Rick Stradtner seconded the motion. Motion approved, 7-0.

#### **APPROVAL OF MINUTES** (DVD-07:49)

Chairman Wayne Schuetter presented the minutes of the February 20, 2012 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Alex Emmons made a motion to approve the minutes of the February meeting as presented. Mike Harder seconded the motion. Motion approved, 7-0.

#### **REQUEST FOR EXTENSION OF CONTRACT WITH SHANEYFELT & BOHNENKEMPER FOR LEGAL SERVICES** (DVD-08:28)

Mayor Seitz informed the Board that applications are still coming in and being reviewed for an in-house attorney. The Mayor asked for a 90 day extension with a 30 day out for both parties, and a not to exceed \$14,000 per month.

Ken Sendelweck made a motion to extend the contract with Shaneyfelt and Bohnenkemper for another 90 days on the present conditions. Rick Stradtner seconded the motion. Motion approved, 7-0.

#### **FOLLOW-UP ON CITY STRATEGIC PLANNING & LEADERSHIP INITIATIVE** (DVD-13:02)

Mayor Seitz presented the Board with an opportunity to discuss and encourage an enrichment program called the Jasper Strategic Planning and Leadership Program. Mike Evans, CEO of Chorus Inc., delivered a proposal on 2/29/12 to be reviewed by Shaneyfelt and the Board. Three references were included with the proposal. The Mayor asked that the Utility Service Board pay for 40% of the funding for Phases 2 and 3, which would amount to \$22,000. The Mayor's training, which is an extra cost of \$2,700, will be funded from outside sources.

(Wayne Schuetter then asked if there were any more bids for the Central Tie Building Extension quote opening at 7:15 PM. No other bids were received.)

Further discussion followed between the Board members and Mayor Seitz. Chairman Schuetter said he has only had time to contact one reference and would like more time to contact the other

two. Some Board members feel that there is a need to search locally for a company to implement the leadership program. There were also questions as to why this program will not be continued in the future. Others feel the \$22,000 is not included in the budget and need a compelling reason to spend outside of the 2012 budget. The Mayor said that the timing is ideal to proceed with this initiative now.

Chairman Schuetter said he would like to do more research on the issues and will not call for a motion on this issue tonight. He would like to put the Leadership Program on the agenda next month for a vote. Schuetter did offer to the other Board members multiple times that they could call for a motion themselves. No one called for a motion, so it was agreed to put this issue on the agenda in April.

**BID OPENING: CENTRAL TIE SUBSTATION BUILDING EXTENSION & FOUNDATION INSTALLATION – ELECTRIC DISTRIBUTION** (DVD-46:51)

Bud Hauersperger opened the bids and read them aloud as follows:

- |                          |             |
|--------------------------|-------------|
| 1. Jasper Lumber Company | \$36,715.00 |
| Jasper, IN               |             |

The quote included a Form 96, a non-collusion affidavit, a bid bond, and financial statements.

- |                           |             |
|---------------------------|-------------|
| 2. Streicher Construction | \$43,000.00 |
| Jasper, IN                |             |

The quote included a Form 96, a non-collusion affidavit, a bid bond, and financial statements.

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|------------------------|-------------|
| 3. Krempp Construction | \$67,100.00 |
| Jasper, IN             |             |

The quote included a Form 96, a non-collusion affidavit, a bid bond, and financial statements.

Ken Sendelweck made a motion to take the quotes under advisement. Rick Stradtner seconded the motion. Motion approved, 7-0.

**RESULTS OF CENTRAL TIE MATERIALS & EQUIPMENT QUOTE OPENING**  
(DVD-51:30)

Jerry Schitter asked for approval to purchase the Central Tie equipment from the low quoter, HD Supply for \$49,922.54. ISC, the engineer on this project, recommends accepting the low quote, even though a different part was used.

Greg Krodel made a motion to purchase the Central Tie equipment from HD Supply for \$49,922.54, on the condition that the specifications are met. The motion was seconded by Doug Schulte. Motion approved, 7-0.

### **RESULTS OF AIR END LIFT QUOTE OPENING** (DVD-54:09)

Jerry Schitter explained to the Board that the low quote from Industrial Tools did not meet minimum height requirements per specifications. The second low quote from Toy's Auto Parts for \$3,157.99 did meet minimum height requirements and specifications. Schitter asked for approval to purchase the air end lift from Toy's Auto Parts for \$3,157.99.

Alex Emmons made a motion to purchase the air end lift from Toy's Auto Parts for \$3,157.99. The motion was seconded by Mike Harder. Motion approved, 7-0.

### **APPROVE TRANSFER OF PLOTTER FROM CIVIL CITY TO E-D** (DVD-56:27)

Jerry Schitter informed the Board that the Civil City had a plotter they were no longer using with a trade-in value of \$3,500. Schitter asked for permission to purchase the plotter from the Civil City for \$3,500.

Ken Sendelweck made a motion to approve the transfer of the plotter from the Civil City to the Electric Distribution Department for \$3,500. The motion was seconded by Doug Schulte. Motion approved, 7-0.

### **JASPER CLEAN ENERGY MONTHLY REPORT** (DVD-1:02:50)

Bud Hauersperger explained the formatting of the Jasper Clean Energy Monthly Report to the Board. They are continuing to market someone to buy power from the plant and working on the Power Sales Agreement. They are also still working with the developers of the miscanthus grass and attended the Field Day in Kentucky. Also, RFP's have been received from large power companies.

Hauersperger informed the Board that he attended the Field Day in Kentucky and the harvesting of miscanthus in Oaktown. On March 8<sup>th</sup> there was a meeting at the Schnitzelbank with the Biomass Working Group, headed by Purdue University. About 70 people attended. Later in the afternoon, the Biomass Working Group, along with IDEM, took a tour of the Power Plant.

### **ELECTRIC PLANNING COMMITTEE REPORT** (DVD-1:05:44)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee did not meet during the past month.

### **SLUDGE PERMIT APPROVED BY IDEM** (DVD-1:05:51)

Bud Hauersperger informed the Board that on March 5<sup>th</sup> IDEM approved the Water Department's application to apply sludge on farm land.

### **WATER SLUDGE APPLICATION CONTRACT** (DVD-1:06:24)

Hauersperger presented a contract from Resource Conservation Services to apply the water sludge to farmland for \$22 per wet ton of sludge. There is also a fuel adjustment surcharge. The

adjustment will be charged if the price of diesel fuel is over \$3 per gallon. The charges include reporting to IDEM and logistics. In the past, there has been approximately 500 tons of sludge removed, but recently the amount of sludge has decreased to approximately 220 tons of sludge annually. Therefore, it would cost approximately \$5,000 to \$11,000 per year for sludge removal.

Doug Schulte made a motion to approve the contract with Resource Conservation Services for removing sludge from our Water treatment plant and applying it on farm land for \$22 per wet ton contingent upon legal review of the contract. The motion was seconded by Mike Harder. Motion approved, 7-0.

#### **GAS PLANNING COMMITTEE REPORT** (DVD-1:09:27)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

#### **WATER PLANNING COMMITTEE REPORT** (DVD-1:09:43)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

#### **RESULTS OF QUOTE OPENING FOR WASTEWATER MANAGER PICKUP** (DVD-1:09:49)

Ed Hollinden asked for permission to purchase the Wastewater Manager's pickup from Uebelhor and Sons for the low quote of \$23,495. The quote did meet specifications.

Greg Krodel made a motion to approve the purchase of the Wastewater Manager's pickup from Uebelhor and Sons for the low quote of \$23,495. The motion was seconded by Mike Harder. Motion approved, 7-0.

#### **NORTHSIDE SEWER PROJECT UPDATE** (DVD-1:10:43)

Ed Hollinden updated the Board on the Northside Sewer Project. There have been 58 voluntary inspections out of 144 homes. Nine out of 58 homes passed inspection. Notice to proceed was issued and the start date was March 16<sup>th</sup>. The project is estimated to end July 14<sup>th</sup>. Jet cleaning will be used to clean out the sewers, and as discussed at the pre-construction meeting, door hangers will notify residences of when this may occur.

#### **EAST TERRACE AVENUE PROJECT UPDATE** (DVD-1:13:04)

Hollinden informed the Board that all 23 homes on East Terrace have called in for an inspection. Fourteen out of 23 homes failed inspection. Homeowners have 6 months to make repairs.

#### **WASTEWATER PLANNING COMMITTEE REPORT** (DVD-1:13:52)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee met on March 7<sup>th</sup>. The Committee reviewed the Donohue and Associates Engineering Design and Construction Services Proposal for upgrading the emergency generator. The City currently has a

750W emergency generator that provides backup power to the Wastewater Treatment Plant. In the event of a power outage the emergency generator automatically starts and provides backup power to keep the Wastewater Treatment Plant in operation.

In August, 2011 Donohue and Associates Engineering performed an engineering study evaluating the existing emergency generator system. Four alternates were considered. Alternate 1 to upgrade the existing 750W generator, automatic switchgear, and controls for a cost of \$158,000. Alternate 2 to replace the generator and switchgear for a cost of \$414,000. Alternate 3 to replace the generator and switchgear with 3 smaller generators located at each building for a cost of \$527,000. Alternate 4 to install a second utility feed from a separate substation for a cost of \$1,993,000.

After performing a thermal imaging test on the three automatic transfer switches, which found them in good working order, they did not have to be replaced, saving \$28,000. Considering all alternates and options, the Committee felt Alternate 1 was the best option. The Wastewater Department can get more life out of a well maintained generator with not many hours on it. The Alternate 1 modified design will include upgrading the existing generator controls and reusing the existing automatic transfer switches for an approximate cost of \$114,000 plus engineering costs of approximately \$18,000 for a total of \$132,000.

The Committee also discussed the portable generator at the Wastewater facility. In the case of a disaster it can be moved to any facility. They also discussed reinforcing the enclosure around the existing generator, due to the excess funds in the Capital Expenditure Plan for the upgrade of the plant generator. In the case of a disaster the generator would be better protected.

Alex Emmons made a motion to approve entering into an agreement with Donohue and Associates for the engineering cost of \$17,900 plus travel expenses, within reason, and the additional cost contingent upon approval by General Manager Hauersperger, Wastewater Manager Hollinden, and legal counsel. The motion was seconded by Ken Sendelweck. Motion approved, 7-0.

#### **BUSINESS OFFICE SOFTWARE UPDATE** (DVD-1:22:01)

Ashley Kiefer updated the Board on the Business Office software. The reconciliation issues discussed last month should be taken care of by the end of this week. The Application Availability Service, which is used in the event of a disaster, is now working better due to PSC increasing our download and upload connection speeds. Nightly back-ups now take about 2 hours.

Kiefer also informed the Board that she and Chairman Schuetter have reviewed the customer information packet, which is passed out to all new customers. They feel there is a need to hire someone to translate the packet to Spanish, due to the growing amount of Spanish speaking customers. Kiefer will work on this issue in the near future.

#### **PAYMENT REQUEST FROM FORCE CONSTRUCTION** (DVD-1:23:46)

Hauersperger stated that Force Construction is making headway on the Beaver Lake Dam Project. Force also said they would fix the wall that was built 1.2 inches shorter than original

specifications. Hayersperger spoke to the engineer and he confirmed that the wall was safe as is. Hayersperger is also working on the extension of the contract due to weather delays.

Hayersperger presented a payment request on behalf of Force Constructions for \$376,164.85 for the project. This is the sixth payment towards the project, and approximately half of the total cost of the project.

Doug Schulte made a motion to approve the Contractor's Application for Payment #6 to Force Construction in the amount of \$376,164.85. The motion was seconded by Rick Stradtner. Motion approved, 7-0.

### **WATER BOND REFINANCING** (DVD-1:26:37)

Hayersperger stated that Umbaugh's proposal, which was handed out at last month's meeting, required bond counsel. Hayersperger sent out requests for proposals to four firms and he received three proposals back. Bingham, Greenebaum, Doll and Ice Miller were the two lowest quotes, which were within \$100 of each other. Shaneyfelt and Bohnenkemper reviewed the proposals and recommended Hayersperger go back to the firm Ice Miller and try to negotiate a better price. Hayersperger will negotiate with the firms to get the best price.

Hayersperger asked for permission to go with the Umbaugh proposal for the majority of the work for the bond refinancing, which is \$22,500 and negotiate with the other firms for bond counsel.

Doug Schulte made a motion to approve the agreement with Umbaugh for the water bond refinancing for a total cost of \$22,500. The motion was seconded by Alex Emmons. Motion approved, 7-0.

Rick Stradtner made a motion to give Bud Hayersperger authority to negotiate with Bingham, Greenebaum, Doll and Ice Miller for bond counsel regarding the water bond refinancing. The motion was seconded by Mike Harder. Motion approved, 7-0.

### **RESULTS OF MOBILE COLLECTOR QUOTE OPENING** (DVD-1:31:50)

Hayersperger informed the Board that the mobile collector is becoming obsolete. Hayersperger asked for permission to purchase the mobile collector with laptop from HD Supply for \$26,675. This amount is within the 2012 budget.

Alex Emmons made a motion to purchase the mobile collector with laptop from HD Supply for \$26,675. The motion was seconded by Greg Krodel. Motion approved, 7-0.

### **HEIDORN PROPERTY UPDATE** (DVD-1:35:27)

Hayersperger informed the Board that an agreement has been made regarding the Heidorn property. A purchase agreement has been received and contains a 3 month lease option with the Heidorn's. Once the agreement is signed, the Heidorn's will have 3 months to rent the property for \$1 per month, while looking for a new residence. Hayersperger asked for a recommendation

to the Common Council to purchase the property based on the purchase agreement and the 3 month lease.

Mike Harder made a motion to recommend to the Common Council to purchase the Heidorn property, per the purchase agreement, with the 3 month lease to the Heidorn's. The motion was seconded by Rick Stradtner. Motion approved, 7-0.

**FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (DVD-1:40:30)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Ken Sendelweck made a motion to approve the claims as presented. Greg Krodel seconded the motion. Motion approved, 7-0.

**RECOMMENDATION TO COUNCIL TO ADOPT A TRANSITIONAL EMPLOYMENT ORDINANCE FOR NEW PERSONNEL/SAFETY/RISK MANAGEMENT POSITION** (DVD-1:41:10)

Shaneyfelt presented to the Board, a recommendation to the Common Council to adopt the Transitional Employment Ordinance. Charlie Schneider, the Personnel/Safety/Loss Control Director, is retiring April 30<sup>th</sup>. This Ordinance would allow an Assistant, whom would be hired to take Schneider's place as Personnel/Safety/Loss Control Director, to start employment and be trained while Schneider is still here to help make the transition, for approximately one month. The Assistant position could be paid the maximum salary of the current Personnel/Safety/Loss Control Director, of which the Utilities pay half.

Rick Stradtner made a motion to approve the recommendation to the Common Council to adopt the Transitional Employment Ordinance for the position of Personnel/Safety/Loss Control Director. The motion was seconded by Greg Krodel. Motion approved, 7-0.

**RESOLUTION SETTING ELECTRIC GENERATION EMPLOYEES WORK SCHEDULE** (DVD-1:46:36)

The current Resolution for Electric Generation employees work schedule expires at the end of March. Shaneyfelt presented to the Board Resolution #USB 2012-4, which continues the 32 hour work week with full benefits for an extended three month period until June 30, 2012.

Ken Sendelweck made a motion to approve Resolution #USB 2012-4, recommending to the Common Council the reduction of work hours for the next 90 days. The motion was seconded by Mike Harder. Motion approved, 7-0.

**RECOMMENDATION TO COUNCIL TO ADOPT ORDINANCE CHANGES TO PAID TIME OFF FOR DEPARTMENT HEADS** (DVD-1:50:06)



Shaneyfelt presented to the Board, at the Mayor's request, to recommend to the Common Council to adopt Ordinance changes to paid time off for Department Heads. The Ordinance would provide two weeks vacation pay upon hiring of new Department Heads, retroactive to January 1, 2012.

Rick Stradtner made a motion to recommend to the Common Council to adopt Ordinance changes to paid time off for Department Heads. The motion was seconded by Doug Schulte. Chairman Schuetter feels this issue needs to be addressed for all new hires. Motion approved, 7-0.

**RECOMMENDATION TO COUNCIL TO ADOPT AMENDED SALARY ORDINANCE**  
(DVD-1:58:23)

Shaneyfelt informed the Board that the Electric Utility has requested an amendment to the Electric Utility Salary Ordinance for the Electric Generation Department, due to upcoming employee retirements. This Ordinance would create a position for four possible part-time Power Plant Operators with a salary range of \$15 to \$25 per hour, in the event that more Power Plant Operators were needed to run the Power Plant for a short period of time.

Alex Emmons made a motion to recommend to the Common Council adoption of the amended Salary Ordinance for Power Plant employees. The motion was seconded by Rick Stradtner. Motion approved, 7-0.

Shaneyfelt commented that there can be no agreement with any current PERF covered employees regarding continued employment after their termination. There has to be a continuous 30 day break in employment with no agreement of rehiring before an employee can be hired back for the part-time position.

Chairman Schuetter stated that no agreements have been made with current employees.

There being no further business to come before the Board, the meeting was adjourned at 9:01PM upon motion by Alex Emmons and second by Rick Stradtner. Motion approved, 7-0.

The minutes were hereby approved \_\_\_\_\_ with   X   without corrections this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

Attest: \_\_\_\_\_  
Secretary Chairman